HAYWARD CITY COUNCIL

RESOLUTION NO. 19-

Introduced by Council Member _____

RESOLUTION RESCINDING APPROVAL OF A COMMERCIAL CANNABIS PERMIT TO VISTA DEVELOPMENT ENTERPRISES FOR OPERATION OF A CANNABIS DISTRIBUTION BUSINESS

WHEREAS, on June 26, 2018 the City Council adopted Resolution 18-135 approving issuance of a commercial cannabis permit to Vista Development Enterprises (Vista), owned by Igor Goldenberg, to operate a commercial cannabis distribution business in Hayward; and,

WHEREAS, pursuant to Hayward Municipal Code section 6-14.11(d) commercial cannabis operators may not commence operation as a cannabis business in the City of Hayward until it has received all necessary land use approvals pursuant to the Hayward Zoning Ordinance; and

WHEREAS, a land use application was submitted to the Planning Division on behalf of Vista on December 20, 2018; and

WHEREAS, the Planning Division notified Vista that the application was incomplete via letter dated January 18, 2019; and

WHEREAS, the City has become aware of an association between Vista and Arkaidy "Eric" Salko, an individual with a history of engaging in large-scale illegal cannabis cultivation in Hayward; and

WHEREAS, Mr. Salko was arrested by the Hayward Police Department in January 2019 for illegal cannabis cultivation and is currently being prosecuted by the Alameda County District Attorney's Office; and

WHEREAS, in February 2019, the Hayward Police Department executed a search warrant at 1715 Greenhills Ct. in Lafayette, as part of the investigation related to Mr. Salko's illegal cannabis cultivation and collected evidence indicating Mr. Salko's association with Vista; and

WHEREAS, some of the evidence establishing the association between Mr. Salko and Vista includes:

• Mr. Salko was in possession of a binder entitled ""Vista Development Enterprises – Standard Operating Procedures Manual;"

- Vista's Articles of Incorporation filed with the California Secretary of State lists a business address of 1715 Greenhills Ct. in Lafayette, CA. This address is Mr. Salko's residential address where he has lived for the past four years;
- Documents showing Mr. Salko paid for a flooring installation estimate for Vista's proposed business location at 2376 Davis St.

WHEREAS, Hayward Municipal Code section 6-14.12(f)(1) a commercial cannabis application will be rejected if it is found to contain material misstatements or omissions; and

WHEREAS, Vista/Mr. Goldenberg's failure to disclose Mr. Salko's association with Vista during the application review process was a material omission that affected the outcome of Vista's application since the background check process would have identified Mr. Salko's prior history of illegal cultivation and staff would not have recommended Vista for approval.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hayward that the approval of a commercial cannabis permit to Vista Development Enterprises (Vista), owned by Igor Goldenberg, to operate a commercial cannabis distribution business in Hayward is hereby rescinded for the reasons stated herein.

IN COUNCIL, HAYWARD, CALIFORNIA , 2019

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS: MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____

City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward